

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6389

BILL NUMBER: SB 106

NOTE PREPARED: Feb 3, 2005

BILL AMENDED: Jan 27, 2005

SUBJECT: Health Plan Evidence of Coverage.

FIRST AUTHOR: Sen. Lawson C

FIRST SPONSOR:

BILL STATUS: As Passed Senate

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill allows an individual accident and sickness insurer, a group accident and sickness insurer, a health maintenance organization, and a limited service health maintenance organization to provide evidence of coverage and other specified documents in electronic or paper form. The bill specifies that a group accident and sickness insurer, a health maintenance organization, and a limited service health maintenance organization must include in enrollment materials information on obtaining evidence of coverage.

Effective Date: July 1, 2004.

Explanation of State Expenditures: If allowing electronic submission of evidence of coverage reduces administrative expenses for insurers and HMOs, the proposal could have an impact on state expenditures only to the extent that insurers or HMOs who contract with the state to provide health insurance pass all or part of the savings on to the state.

Explanation of State Revenues:

Explanation of Local Expenditures: The proposal could have an impact on local expenditures only to the extent that insurers and HMOs pass all or part of any savings gained from electronic submission on to the local unit.

Explanation of Local Revenues:

State Agencies Affected: All.

Local Agencies Affected: Units providing health insurance to employees.

Information Sources:

Fiscal Analyst: Bernadette Bartlett, 317-232-9586.